

**ASSEMBLY BILL**

**No. 174**

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**Introduced by Assembly Member Monning**

January 24, 2011

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An act to amend Section 130275 of the Health and Safety Code, relating to health information.

LEGISLATIVE COUNSEL'S DIGEST

AB 174, as introduced, Monning. Health information exchange.

Existing law establishes the Office of Health Information Integrity within the California Health and Human Services Agency to ensure the enforcement of state law mandating confidentiality of medical information and to impose administrative fines for the unauthorized use of medical information. Existing law authorizes the office to establish and administer demonstration projects to evaluate potential solutions to facilitate health information exchange that promote quality of care, respect the privacy and security of personal health information, and enhance the trust of the stakeholders. Existing law provides that it is the intent of the Legislature that these demonstration projects identify barriers to implementing health information exchanges, test potential security and privacy policies for the safe and secure exchange of health information, and identify and address differences between state and federal laws regarding privacy of health information.

This bill would make a technical, nonsubstantive change to these provisions.

Vote: majority. Appropriation: no. Fiscal committee: no.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

SECTION 1. Section 130275 of the Health and Safety Code is amended to read:

130275. The Legislature finds and declares all of the following:

(a) There is a need to enhance California's ability to obtain and use federal funding, as awarded in the State Cooperative Grant Agreement for health information exchange, for the establishment of statewide health information exchange infrastructure in California. The California Health and Human Services Agency is authorized by the Legislature, ~~under~~ pursuant to Section 130255, to use those federal funds to achieve that purpose.

(b) Health information exchange has the potential to significantly improve the quality of treatment and care, reduce unnecessary health care costs, and increase administrative efficiencies within the health care system. The application of health information exchange technology to manage health information will also have a significant impact on consumers, health care facilities, and licensed health care providers.

(c) Current laws may not adequately protect privacy, or may impose obstacles to the exchange of vital health information, as required by the State Cooperative Grant Agreement for health information exchange and other federal health information funding programs.

(d) It is the intent of the Legislature to authorize the Office of Health Information Integrity within the California Health and Human Services Agency to establish and administer demonstration projects funded by federal grants and other sources. It is the intent of the Legislature that the demonstration projects do all of the following:

(1) Identify barriers to implementing health information exchanges.

(2) Test potential security and privacy policies for the safe and secure exchange of health information, including, but not limited to, issues related to access to, and storage of, individual health information.

(3) Identify and address differences between state and federal laws regarding privacy of health information.

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